

CHAPMAN AND CUTLER

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1877-1943
Henry E. Cutler
1879-1959

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February 26, 1998

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Salt Lake City, Utah 84144
(801) 533-0066

Mr. Vernon A. Williams, Secretary
Surface Transportation Board
1925 K Street, N.W., Room 704
Washington, D.C. 20423-0001

RECORDATION NO. 1241-^D FILED

FEB 26 '98

3-05 PM

Re: Union Pacific Railroad Company
Leveraged Lease Financing
UPRR 1998-B

Dear Mr. Williams:

I am enclosing for recording pursuant to Section 11301 of Title 49 of the United States Code, two original copies of the document described below. As one of the attorneys representing the Lessee in this transaction, I have knowledge of the matters described in this letter.

The enclosed document is as follows:

Memorandum of Lease Assignment (UPRR 1998-B), dated February 27, 1998, between Harris Trust and Savings Bank, as security trustee (the "Security Trustee" or the "Assignee"), and SCL Union Co., Ltd., as lessor (the "Lessor" or the "Assignor").

The names and addresses of the parties to the enclosed document are as follows:

Security Trustee and Assignee:	Harris Trust and Savings Bank, as Security Trustee 311 West Monroe Street Chicago, Illinois 60690
Lessor and Assignor:	SCL Union Co., Ltd. 7-1, Nakase 1-chome Mihama-ku, Chiba-shi Chiba, 261 Japan Attention: Representative Director

The description of the equipment covered as of the date hereof by the aforesaid Memorandum of Lease Assignment is as set forth on Exhibit A hereto.

A fee of twenty-four dollars (\$24.00) is enclosed. Please time and date stamp the enclosed copies of the enclosed document along with the extra copy of this letter as proof of filing and recordation of the enclosed document and return the original and any extra copies of such document and this letter not needed by the Board for recordation to:

Karl T. Williams, Esq.
Chapman and Cutler
111 West Monroe
Chicago, Illinois 60603

CHAPMAN AND CUTLER

A short summary of the document to appear in the index follows:

MEMORANDUM OF LEASE ASSIGNMENT:

Memorandum of Lease Assignment (UPRR 1998-B) between Harris Trust and Savings Bank, as Security Trustee, 311 West Monroe Street, Chicago, Illinois 60690, and SCL Union Co., Ltd., as Lessor, 7-1, Nakase 1-chome, Mihama-ku, Chiba-shi, Chiba, 261 Japan Attention: Representative Director, dated February 27, 1998, covering diesel electric locomotives bearing the road numbers listed in the Schedule thereto. This document relates to the Memorandum of Lease Agreement, dated February 27, 1998, the Memorandum of Mortgage and Security Agreement, dated February 27, 1998, the Memorandum of Mortgage Supplement No. 1, dated February 27, 1998, and the Memorandum of Lease Supplement No. 1, dated February 27, 1998, which were recorded with the Surface Transportation Board on February __, 1998 at __: __ .m. under recordation numbers ____, ____, ____ and ____, respectively, pursuant to Section 11301 of Title 49 of the United States Code.

If you have any questions or need further information, please do not hesitate to contact the undersigned (312-845-3892).

Sincerely,

CHAPMAN AND CUTLER

By Karl T. Williams / KTW
Karl T. Williams

KTW/rm
Enclosure

CHAPMAN AND CUTLER

EXHIBIT A

UNITS

EQUIPMENT	QUANTITY	ROAD NUMBERS
General Motors Corporation (Electro-Motive Division) Model SD9043MAC Diesel Electric Locomotives	20	8184 8191 8193 8195 8202 8203 8205 through 8208, inclusive, 8210 through 8212, inclusive, 8214 8215 8218 8220 8221 8224 and 8226

FEB 26 '98

3-05 PM

MEMORANDUM OF LEASE ASSIGNMENT
(UPRR 1998-B)

Memorandum of Lease Assignment, made and entered into on February ²⁷~~26~~, 1998, by and between SCL Union Co., Ltd., a Japanese corporation ("*Lessor*"), and Harris Trust and Savings Bank, an Illinois banking corporation, as security trustee ("*Security Trustee*").

WITNESSETH:

1. The Lessor and Union Pacific Railroad Company ("*Lessee*") have entered into that certain Lease Agreement (UPRR 1998-B) (the "*Lease Agreement*"), dated February 12, 1998, and Lease Supplement No. 1 (the "*Lease Supplement*") thereto, dated February 26, 1998, covering certain locomotives bearing road numbers as listed on Exhibit A attached hereto.
2. Memoranda of said Lease Agreement and of said Lease Supplement were recorded with the Surface Transportation Board on February __, 1998 at __: __ .m. under recordation numbers _____ and _____, respectively, pursuant to Section 11301 of Title 49 of the United States Code.
3. The undersigned have entered into that certain Mortgage and Security Agreement (UPRR 1998-B) (the "*Mortgage*"), dated February 12, 1998, and Mortgage Supplement No. 1 (the "*Mortgage Supplement*") thereto, dated February 26, 1998, pursuant to which Lessor has assigned the aforesaid Lease Agreement, the aforesaid Lease Supplement No. 1, and the rents and other proceeds therefrom (with certain exceptions) to the Security Trustee.
4. Memoranda of said Mortgage and of said Mortgage Supplement were recorded with the Surface Transportation Board on February __, 1998 at __: __ .m. under recordation numbers _____ and _____, respectively, pursuant to Section 11301 of Title 49 of the United States Code.

IN WITNESS WHEREOF, the parties hereto have each caused this Memorandum of Lease Assignment to be duly executed by their respective officers duly authorized on the date and year first above written.

SCL UNION CO., LTD.

By Kathryn A. Kapusta
Name: Kathryn A. Kapusta
Title: Attorney-in-Fact

Executed on this 17th day of February, 1998.

HARRIS TRUST AND SAVINGS BANK

By _____
Name:
Title:

Executed on this ____ day of February, 1998.

**MEMORANDUM OF LEASE ASSIGNMENT
(UPRR 1998-B)**

Memorandum of Lease Assignment, made and entered into on February ²⁷~~26~~, 1998, by and between SCL Union Co., Ltd., a Japanese corporation ("*Lessor*"), and Harris Trust and Savings Bank, an Illinois banking corporation, as security trustee ("*Security Trustee*").

WITNESSETH:

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4. Memoranda of said Mortgage and of said Mortgage Supplement were recorded with the Surface Transportation Board on February __, 1998 at __: __ .m. under recordation numbers _____ and _____, respectively, pursuant to Section 11301 of Title 49 of the United States Code.


IN WITNESS WHEREOF, the parties hereto have each caused this Memorandum of Lease Assignment to be duly executed by their respective officers duly authorized on the date and year first above written.

SCL UNION CO., LTD.

By _____
Name: Kathryn A. Kapusta
Title: Attorney-in-Fact

Executed on this ____ day of February, 1998.

HARRIS TRUST AND SAVINGS BANK

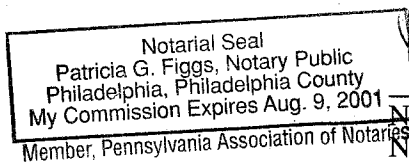
By  _____
Name: KEVIN O. HEALEY
Title: SENIOR VICE PRESIDENT

Executed on this 13th day of February, 1998.

Pennsylvania
STATE OF ~~NEW YORK~~)
COUNTY OF Philadelphia SS.:

On this, the 18 day of February, 1998, before me, a Notary Public in and for said County and State, personally appeared Kathryn A. Kapusta, who being by me duly sworn, says that she is the Attorney-in-Fact of SCL UNION CO., LTD., that said instrument was signed on February 17 1998 on behalf of said corporation by authority of its Board of Directors, and she acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the date above mentioned.



Patricia G. Figgs
Name: _____
Notary Public
My Commission Expires: 8/9/2001
Residing in Philadelphia

STATE OF ILLINOIS)
COUNTY OF COOK) SS.:

On this, the ____ day of February, 1998, before me, a Notary Public in and for said County and State, personally appeared _____, who being by me duly sworn, says that (s)he is the _____ of HARRIS TRUST AND SAVINGS BANK, that said instrument was signed on February __, 1998 on behalf of said corporation by authority of its Board of Directors, and (s)he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the date above mentioned.

Name: _____
Notary Public
My Commission Expires: _____
Residing in _____

STATE OF NEW YORK)
) SS.:
COUNTY OF _____)

On this, the ____ day of February, 1998, before me, a Notary Public in and for said County and State, personally appeared Kathryn A. Kapusta, who being by me duly sworn, says that she is the Attorney-in-Fact of SCL UNION CO., LTD., that said instrument was signed on February __, 1998 on behalf of said corporation by authority of its Board of Directors, and she acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

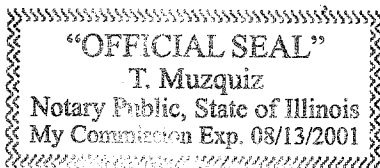
IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the date above mentioned.

Name:
Notary Public
My Commission Expires:
Residing in _____

STATE OF ILLINOIS)
) SS.:
COUNTY OF COOK)

On this, the 13th day of February, 1998, before me, a Notary Public in and for said County and State, personally appeared KEVIN O. HEALEY, who being by me duly sworn, says that (s)he is the SENIOR VICE PRESIDENT of HARRIS TRUST AND SAVINGS BANK, that said instrument was signed on February 13, 1998 on behalf of said corporation by authority of its Board of Directors, and (s)he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the date above mentioned.



T. Muzquiz

Name: T. MUZQUIZ
Notary Public
My Commission Expires: 8-13-2001
Residing in COOK County, ILLINOIS

EXHIBIT A

UNITS

EQUIPMENT	QUANTITY	ROAD NUMBERS
General Motors Corporation (Electro-Motive Division) Model SD9043MAC Diesel Electric Locomotives	20	8184 8191 8193 8195 8202 8203 8205 through 8208, inclusive, 8210 through 8212, inclusive, 8214 8215 8218 8220 8221 8224 and 8226